

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

August 31, 1999

FROM: CAROL T. SHEARER
Assistant County Administrative Officer

SUBJECT: CONTRACT WITH HUMAN RESOURCES STRATEGIES

RECOMMENDATION: Approve contract with Human Resources Strategies to provide professional consulting services associated with the review of county procurement practices for the period September 1, 1999 through January 15, 2000 and a total amount not to exceed \$28,000.

BACKGROUND INFORMATION: In June of this year, the County Administrative Officer formed a working group to begin the process of reviewing county contracting and purchasing policies and procedures. This working group is comprised of one representative each from the County Administrative Office, Auditor-Controller, County Counsel, Purchasing, and two large user departments -- Social Services and Behavioral Health -- and has been meeting regularly since that time.

One of the first steps taken by the working group was to bring forward changes to county code relating to contracts for services and duties of the purchasing agent. On July 27, 1999, the Board amended County Code Section 14.012(d) and added Section 14.0113 to require Board approval of services in excess of \$25,000 per vendor – per department of board-governed district – per fiscal year. It also requires the Auditor-Controller to provide a report to the Board and the CAO which will show when the aggregate amount of contracts and other payments for services exceeds \$75,000 per vendor, per fiscal year, countywide.

With these initial changes now in place, the working group has turned its focus to a more comprehensive review of all county procurement policies and practices, and it is anticipated that additional changes will be brought to the Board in the near future. However, in light of the broad scope of this project, the working group has identified the need for an outside consultant to assist in accomplishing this task.

Therefore, a selection committee consisting of representatives from the County Administrative Office, County Counsel, and the Auditor-Controller's Office was formed to proceed with a competitive process for the selection of a consultant to work with the working group. As part of this process, the selection committee identified and contacted potential consultants; and conducted individual interviews. As a result, the committee selected Human Resources Strategies as the recommended consultant to work with the working group.

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Services to be provided by the consultant include, but are not limited to, the following:

- Development of a flow chart of existing processes and how these processes may be revised to enhance efficiency, control, and accountability
- An evaluation of the existing tracking, monitoring, and reporting systems as related to the procurement and payment for goods and services
- Discussion, identification, and analysis of departmental responsibilities as related to the procurement of goods and services
- A summary of current trends in governmental and other entities regarding best contracting and purchasing business practices
- A detailed review of County ordinances and procedures as they relate to the procurement of goods and services
- Discussion of the contract management function, including options regarding contract management and recommendations regarding the most efficient manner to monitor contracts

Approval of this contract will provide the additional support needed by the working group to move forward with this comprehensive review of procurement practices and procedures in the most effective and timely manner possible.

REVIEW BY OTHERS: This action has been coordinated with the Auditor Controller's Office and County Counsel

FINANCIAL IMPACT: The cost of this contract is \$28,000 and will be funded from the County Administrative Office budget.

SUPERVISORIAL DISTRICT(S): All

PRESENTER: CAROL T. SHEARER, Assistant County Administrative Officer